



1. "amended" A data processing apparatus for (determining a price of an option to pay for an education course fees and to sell such option) user to contract a future education fee amount now and paying for the said education fees in the future, comprising:

a central controller including a CPU and a memory operatively connected to said CPU;

a data base element connected to said CPU;

at least one terminal, adapted for communicating with said central controller over a network, for transmitting to said controller (option pricing) user's information including the years to commencement (date of commencement and) , selected course (criteria), selected institution offering the said course, user's past academic results, user's personal information, the education fee amount to be contracted payable per period to the selected institution for the said course selected and the user's flexibility factor for the selected course;

said memory in said central controller containing a program, adapted to be executed by said CPU, for (calculating a price of an option) calculating factors relating to said user's information based on heuristic rules programmed by the selected institution; (to pay for within a future period, for a particular educational course which satisfied the customer/buyer.)

wherein said calculated factors includes the future demand of the selected course, the desirability of this user, and the actual historical volatility of the selected course fee, the actual current selected course fee, the actual interest risk free rate representing the period to commencement; and

wherein said central controller receives said (criteria/factors) calculated factors /results from said program and user's information from said terminal ,said program further, calculates the (option price based upon the criteria or factors as mentioned.) premium payable in consideration to contract the future education fee amount now, said premium includes a contractual right but not obligation to pay the contracted fee amount within a period no longer than said date of commencement such right is conditional on receiving an offer of admission from the selected institution.

2. "amended" The apparatus according to claim 1, wherein said program in said memory is adapted to output the premium and to receive a user's (customer) request input via said terminal to (purchase or sell the option) accept the offered premium as consideration to contract the education fees and further adapted to perform a credit card transaction to pay for the premium. (sell or buy the option to the customer.)

3. "amended" The apparatus according to claim 2, wherein said program in said memory is adapted to receive a customer request input via said terminal to (exercise an option) pay the contracted education fee amount by quoting the admission number and further adapted to perform a credit card transaction or
5 on-line bank transfer to (sell an education course to the customer in accordance with the terms of the option.) settle with the contracting institution offering the previous premium.

4. "amended" A method and process for user to contract a future education fee amount now and paying for the said education fees in the future (of determining a price of an option to pay for an education course) using a central controller including a CPU, a data base element connected to said CPU and a memory operatively connected to said CPU and containing a program adapted to be executed by said CPU for (determining the price of an option,) calculating the factors, values and the said premium and a terminal adapted for communicating with said CPU over a network, the method comprising the steps of:

inputting the (commence date criteria) years to commencement to the controller via the terminal;
20 inputting the selected institution to the controller via the terminal;
inputting the flexibility factor to the controller via the terminal;
inputting the desired course information to the controller via the terminal;
inputting the past academic results to the controller via the terminal;
inputting the user's personal information to the controller via the terminal;
25 inputting the education fee to be contracted payable per period criteria to the controller via the terminal;

in response to user's information verifying the inputted said information against selected institution's minimum qualifying criteria including, selected course
30 availability, acceptability of the education fee to be contracted as proposed by user in accordance to preprogram heuristic rules;

receiving a response;

35 wherein the step of receiving a response is one of acceptance;
calculating and providing the historical volatility of the selected course fee;
determining and providing the demand factor for the selected course;
determining and providing the desirability factor of the user;
determining and providing the current selected course fee;
40 determining and providing the risk free rate covering the period up to commencement of course;

(inputting the course information criteria to the controller via the terminal and calculating a price of an option)

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calculating a premium that gives the (customer a right to pay) user a right (for) but not obligation within a future (said) period equal or less to the period before the course commence to pay a contracted education fee amount, for (a particular) the selected education course which satisfied the course information and year (date) of commencement where such right is conditional on receiving an admission offer from said institution by having the CPU execute said program; (and)

outputting the premium (option price) to the terminal; and

wherein the step of receiving a response is one of rejection, outputting a message advising the problem encountered and ask user to revise user's information inputs or terminate request.

5. "amended" A data processing apparatus for (determining a price of an option to)) user to contract a future education fee amount now and paying for the said education fees in the future (pay for an education course) , comprising:

a CPU ; (and)

a data base element connected to said CPU;

a memory operatively connected to said CPU, said memory containing a program adapted to be executed by said CPU and said CPU and memory co-operatively adapted to receive user's information; and

said program applying the said information, calculating the required factors or values based on heuristic rules programmed by the selected institution and using these factors with user's information further calculates the premium in consideration to contract the education fees amount as determined by the user in user's information where such premium includes a right but not obligation to pay the said fees within a future period for the selected course with the selected institution on the condition of being offered admission by said institution before commencement date.

(option pricing information, and to calculate a price of an option to pay for within a future period, for a particular education course, an education course satisfying the option pricing information.)

6. "amended" The apparatus according to claim 5, wherein said program is adapted to receive user's (option pricing) information comprising the date of commencement or years to commencement (or), (and) course criteria, institution offering the said course, past academic results, user's personal information, the education fee amount to be contracted payable per period to the selected institution for the said course selected and the user's flexibility factor for the selected course.

7. "amended" The apparatus according to claims 5, wherein said program is adapted to receive at least one of the first information describing the proposed education fee amount to be contracted, second information concerning the desired number of years before commencement of the selected course, third information concerning user past academic results, fourth information concerning user personal data, fifth information concerning the selected institution, sixth information concerning the selected course, seventh information concerning the user's flexibility factor for the selected course and wherein said program is further adapted to use at least one of the above information to determine whether user's selected institution's requirements have been met based on heuristic rules;

in response to user's information satisfying selected institution's requirements, said program is further adapted to calculate the historical volatility of the selected education course fee, the current education fee of the selected course, a factor describing the desirability of the user and the demand factor of the selected course, the risk free interest rate covering the period before commencement;

the said program is further adapted to utilize the said historical volatility of the education fee for the selected course, the said current education fee of the selected course, the said user's flexibility factor, the said desirability factor of user, the said demand factor of the selected course, the said risk free rate, the fees payable and the said years to commencement to calculate the premium in consideration to contract the future education fee now where such premium includes a right but not obligation to pay for said education fee and on the condition of being offered an admission to the selected institution for the selected course before commencement date;

outputting this premium for consideration by user; and

receiving a request from user either to accept this premium or revise user information parameters or terminate service.

(said program in said memory is adapted to receive at least one of first information describing a desired number of years before commencement of course, second information concerning the expected enrolment demand on the subject course, and third information concerning the volatility of the education course prices, and fourth the desirability of the customer, and fifth the flexibility of the customer's education plans, and wherein said program is further adapted to use at least one of said information, said second information, and said third information, said fourth information, said fifth information to calculate the option price.)

8. "amended" The apparatus according to claim 5 wherein said program in said memory is adapted to receive an indication that a user (customer) has (purchase

or sale) paid the premium (the option) and further to update a database to reflect the (sale or buying of the option.) transaction.

5 9. "amended" The apparatus according to claim 5 wherein said the program in said memory is adapted to request user to revise user's information parameter over the network in response to initial user's information failure to satisfy the selected institution's requirements.

10 (calculate the option price based at least in part on the number of similar options already sold using information stored in an option database.)

15 10. "amended" The apparatus according to claim 5, wherein the said program in said memory program is adapted to calculate the (option price) premium based in part upon (option pricing) user's information satisfying more than one of the minimum requirements set by the selected institution. (that is satisfied by more than one education course)

20 11. "amended" The apparatus according to claim 5, wherein the said program in said memory is adapted to calculate (to option price) the premium based at least in part on the formula:

$$\text{Premium (option price)} = B*(D*)L*C*R(*V)$$

25 where B (is) represents a modified Black Scholes formula (the base price for the option), (D is a factor related to a desired number of years before commencement of course,) L is a factor concerning the expected enrolment demand on the subject course, (V is a factor concerning the volatility of the education course prices,) and C is a factor related to the desirability of the (customer) user, and R is a factor related to the flexibility of the user's (customer's) education plans.

35 12. " amended " The apparatus according to claim 1, wherein said database contains information about consummated contracts, open contracts, past premiums being offered and secure accessed for institutions and users.

40 (A method of determining a price of an option to pay for an education course for user to contract a future education fee amount now and paying for the said education fees in the future, using a central controller including a CPU and a memory operatively connected to said CPU containing a program, adapted to be executed by said CPU for determining a price for the option, the method comprising the steps of :

inputting education course commencement date;

45 inputting course criteria provided by a user or customer ; and calculating the price of an option that gives the right to pay for but not the obligation within a

future period for a particular education course, an education course satisfying the commencement date and the course criteria by having the CPU execute said program; and outputting the option price,)

- 5 13. “amended” A method (of determining a price of an option to pay an education course) for user to contract a future education fee amount now and paying for the said education fees in the future , comprising the steps of:

10 (receiving option pricing information relative to future purchase for the educational course;)

receiving user’s information over a network;

15 in response to the said information, calculating the required factors based on heuristic rules programmed by the selected institution and using these factors with user’s information to calculate the premium in consideration to contract the education fees amount as determined by the user in user’s information where such premium includes a right but not obligation to pay the said fees within a future period for the selected course on the condition of being offered admission
20 by said institution before commencement date.

(calculating the price for an option to pay for within a future period, for a particular education course, satisfying the option pricing information; and outputting the option price.)

- 25 14. “amended” The method according to claim 13, wherein the step of receiving (option pricing) user’s information includes receiving (the date of commencement and course criteria.) the date of commencement or years to commencement , course criteria, institution offering the said course, past
30 academic results, user’s personal information, the education fee amount to be contracted payable per period to the selected institution for the said course selected and the user’s flexibility factor for the selected course.

- 35 15. “amended “ The method according to claim 13, further comprising of the steps of:

receive at least one of the first information describing the proposed education fee amount to be contracted, second information concerning the desired number of years before commencement of the selected course, third information
40 concerning user past academic results, fourth information concerning user personal data, fifth information concerning the selected institution, sixth information concerning the selected course, seventh information concerning the flexibility factor of the selected course and wherein said program is further adapted to use the at least one of the above information to determine whether
45 user’s selected institution’s requirements have been met based on heuristic rules;

5 in response to user's information satisfying selected institution's requirements, calculates the historical volatility of the selected education course fee, determine the current education fee of the selected course, calculates a factor describing the desirability of the user and the demand factor of the selected course, determine the risk free interest rate covering the period before commencement;

10 in response to the calculated factors and determined values, utilizing the said historical volatility of the selected education fee, the said current education fee, the said user's flexibility factor, the said desirability factor of user, the said demand factor of the selected course, the said risk free rate, the fees payable and the said years to commencement to calculate the premium to contract the future education fee now where such premium includes a right but not obligation to
15 pay for said education fee and on the condition of being offered an admission to the selected institution for the selected course before commencement date;

outputting this premium for consideration by user; and

20 receiving a request from user either to accept this premium or revise user information parameters over a network.

25 (receiving at least one of first information describing a desired number of years before commencement of course, second information concerning the expected enrolment demand on the subject course, and third information concerning the volatility of the education course prices, and fourth the desirability of the customer, and fifth the flexibility of the customer's education plans, and wherein said calculating step further includes utilising at least one of the said first information, said second information, said third information, said fourth
30 information, said fifth information to calculate the option price.)

35 16. "amended" The method according to claim 13, further comprising the steps of (receiving an indication that a customer has purchased the option and updating a database to reflect the sale of the option by the institution or another seller.) receiving an indication that a user has paid the premium and further updating a database to reflect the transaction.

40 17. "amended" The method according to claim 13, further comprising the step of (receiving option sales information from an option database indicating a number of similar options that have been previously sold or written, and wherein the calculating steps uses the option sales information in determining the option price.) requesting user to revise user's information parameter over the network in response to initial user's information failing to satisfy the selected institution's requirements.
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18 “ amended “ The method according to claim 13, further comprising the steps of receiving a customer request input via said terminal to (purchase or sell the option) accept the offered premium as consideration to contract the education fees, a step to perform a credit card transaction to pay for the premium and a
5 step to store the transaction information in a database.

(a customer request to purchase the option, receiving tender of the purchase from the customer, scanning for any available ready seller at that price or lower,) performing a transaction to sell the option to the customer and storing
10 information regarding said option until expired or exercise whichever is first.)

19 “ amended”. The method according to claim 18, further comprising the steps of receiving an instruction by user to pay the contracted education fee amount by quoting the admission number and further adapted to perform a credit card
15 transaction or on-line bank transfer to settle with the contracted institution offering the previous premium.

(a customer request to exercise an option, performing a transaction to fully paid for the education course upon exercise to the customer in accordance with the terms of the option and modifying the database to reflect the full payment of the
20 education course pursuant to the option.)

20. “amended “ The method according to claim 13, wherein the calculation of the (option price is based in part upon pricing information that is satisfied by
25 more than one education course.)

premium is based in part upon user’s information satisfying more than one of the minimum requirements set the selected institution .

30 21. The method according to claim 13, wherein the calculating steps of the premium is based at least in part on the formula:

$$\text{Premium price} = B * L * C * R$$

35 where B represents a modified Black Scholes formula, L is a factor concerning the expected enrolment demand on the subject course and C is a factor related to the desirability of the user, and R is a factor related to the flexibility of the user’s education plans.

40 (option price is based in part upon the formula below.

$$\text{Option price} = B * D * L * C * R * V$$

where B is the base price for the option, D is a factor related to a desired number of years before commencement of course, L is a factor concerning the
45 expected enrolment demand on the subject course, V is a factor concerning the volatility of the education course prices, and C is a factor related to the

desirability of the customer, and R is a factor related to the flexibility of the customer's education plans.)

5 22. "amended" Computer executable process steps operative to control a computer over a network, stored on a computer readable medium for user to contract a future education fee amount now and paying for the said education fees in the future, comprising:

10 (determining a price of an option to purchase or sell the right to pay for an education course comprising;

a step to receive commencement date of the course

a step to receive course criteria

15 a step to calculate the price for an option to pay for, within a future period, for a particular education course, an education course satisfying the two components: the date of commencement and course criteria. And a step to output the option price.)

a step to receive user's information;

20 a step to determine if user's information has satisfied the selected institution minimum requirements;

a step of responding to the said determination step;

25 in response to a positive determination, a step to calculate the historical volatility of the selected course's fee, the current fee, the demand factor of the selected course, the risk free interest rate for the period to commencement;

a step to include the above results and initial user's information to calculate the premium in consideration to contract the education fee amount where such contract includes a right but not obligation to pay the contracted education fee subject to receiving an offer of admission by the contracted institution before commencement date;

30 a step to output the premium for user's consideration;

a step to receive user's acceptance or revision; and

in response to a negative determination, a step to ask user to revise user's information;

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23. "amended" A method (of) for user to determine a premium to contract the cost of a future education fee amount now, (pricing an option to pay for an education course,) comprising the steps of :

40 inquiring an education course price in the future for a selected course with a selected institution using a range of course price payable in the future and the expected time frame to commence the course;

receiving a response to provide user's information; and

45 receiving a response as to the premium in consideration to contract the cost of a future education fee amount now.

(inquiring on an education course price for an education course receiving said education course price;
receiving an offer to pay for a given price an option to pay for within a particular period, for a particular education course, the education course and purchasing said option at option price.)

24. "amended" The method according to claim 23, further including the steps of using said contract to secure and pay for the contracted education fee for the selected course with the selected institution when an offer of admission has been granted by said institution before commencement date.

(said option to pay for or sell the education course or an equivalent of said education course.)

25. "amended" The method according to claim 23, wherein said step of inquiring on an education course includes providing (education information including the date of commencement and course criteria.) at least one of the first information describing the proposed education fee amount to be contracted, second information concerning the desired number of years before commencement of the selected course, third information concerning user past academic results, fourth information concerning user personal data, fifth information concerning the selected institution, sixth information concerning the selected course, and seventh information concerning the flexibility factor of the selected course.

26. "amended" "A data processing apparatus for selling a contract to lock in a future cost of an education fee now(an option to pay for an education course,) comprising:

a terminal adapted to communicate with a central controller that calculates a (price of an option to pay) premium as consideration for a contract with rights but not obligation to pay the future cost of an education fee for an education course within a specified future period, for a particular education course with a selected institution wherein said contract includes a condition of admission to the institution before commencement date;

said terminal adapted to transmit to the central controller (option pricing) user's information comprising at least one of the first information describing the proposed future education fee amount to be contracted, second information concerning the desired number of years before commencement of the selected course, third information concerning user past academic results, fourth information concerning user personal data, fifth information concerning the selected institution, sixth information concerning the selected course, seventh information concerning the user's flexibility factor of the selected course,

(the date of commencement and course criteria,) and if said user information satisfying selected institution's requirements, further adapted to receive from the central controller a premium in consideration to contract said education fee satisfying the above user's information with the selected institution.

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(price of an option satisfying the date of commencement and course criteria.)

27. "amended" The apparatus according to claim 26, wherein said terminal is adapted to transmit a (customer) user's request to (purchase the option) pay for the premium as consideration for the contract with the selected institution and
10 further adapted to perform a credit card transaction to (sell the option to the customer.) pay for the said premium.

28. "amended" The apparatus according to claim 27, wherein said terminal is
15 adapted to transmit a user's(customer) request to pay the contracted education fee amount by quoting the admission number and further adapted to perform a credit card transaction or on-line bank transfer to settle with the contracting institution offering the previous premium. (to exercise an option and further adapted to perform a credit card transaction to fully pay for an education course
20 to the customer in accordance to the terms of the option.)

29. "delete" (The apparatus according to claim 26, wherein said terminal is adapted to transmit a seller customer request to sell the option and further adapted to perform a credit card transaction to credit the payment from the sell
25 of the option to the seller/customer and debit the payment from the buyer while updating all entries and claims immediately.)

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